

MINUTES
Board of Trustees
January 24, 2023

The Murfreesboro Community Investment Trust Board of Trustees met in the Business Center at the Murfreesboro Municipal Airport at 4:13 p.m. on Tuesday, January 24, 2023.

The following board members were present and in attendance:

Shawn Applegate
Anne Davis
Steve Flatt
Kevin Gentry
Rick LaLance
Lee Moss
Richard Stone

Also present at this meeting were:

Craig Tindall, City Manager
Adam Tucker, City Attorney
Jennifer Brown, City Recorder/Finance Director

City Manager Craig Tindall called the meeting to order and determined a quorum was present. Mr. Tindall introduced City Attorney Adam Tucker to present the first item on the agenda.

Mr. Tucker reviewed the Trust Agreement presented to the Board and discussed the history and resulting purpose of the trust agreement and the need for the Board of Trustees. He also reviewed rules under which the Board would operate and high-level functions of the Board. Discussion ensued. The Trust Agreement was reviewed and signed by all members of the Board.

Mr. Tindall presented the next item on the agenda for election of a Board Chair and appointment of Board Secretary. The election of the Board Chair was done by ballot vote of all members present. Board member Kevin Gentry was elected as the Board Chair. Mr. Tindall also stated that a Board Secretary needed to be appointed and that Ms. Jennifer Brown, City Recorder/Finance Director, was very capable of doing the job. A motion to appoint Ms. Brown as the Board secretary was put forward by Mr. Flatt and seconded by Mr. LaLance. There being no further discussion, the motion passed by unanimous vote of the members present.

Control of the meeting was then transferred to Mr. Gentry as the Board Chair.

Mr. Gentry stated that the bylaws would need to be approved. Mr. Tindall stated that the bylaws included in the agenda are a recommendation. A motion to approve the recommended bylaws as presented was put forward by Mr. LaLance and seconded by Mr.

Moss. There being no further discussion, the motion passed by unanimous vote of the members present.

Mr. Gentry moved on to review policies for the Board. Mr. Tindall stated that the three policies presented - Conflict of Interest, Whistleblower, and Document Retention - would be advisable to review and approve. A motion to approve the Conflict of Interest, Whistleblower, & Document Retention policies as presented was put forward by Mr. Moss and seconded by Mr. Gentry. There being no further discussion, the motion passed by unanimous vote of the members present.

Mr. Gentry stated that they would need to review the Trust funding. Mr. Tindall asked Ms. Brown to go over the financials. She stated that funds received so far are \$75.4M received by the City as of July 2022 with \$41M of that being allocated to the Trust and the balance distributed to Park and Recreation, Transportation, and City General Fund as outlined in the Charter Amendment. Funds are currently held by Raymond James until the Board goes through the RFP process to select an investment advisor and direct the placement of the funds. Discussion ensued.

This led to a discussion on item 6b on the agenda regarding the appointment of administrators with signing authority for the trust account. A motion to appoint Mr. Kevin Gentry and Mr. Craig Tindall as administrators of the Trust account was made by Mr. Stone and seconded by Mr. LaLance. There being no further discussion, the motion passed by unanimous vote of the members present.

Mr. Tindall explained that the Board of Trustees would need to prepare a budget to account for operational costs. These funds would then be taken out of the Trust fund.

Mr. Gentry asked Mr. Tindall to comment on the Tax Status items. He reviewed the need to determine the tax status of the Trust in order to file the correct paperwork. This would require the retention of counsel to make sure the tax filing status was legal and correct. A motion to retain Mr. Joe Gibbs and his firm as initial counsel to determine tax status was put forward by Mr. Moss and seconded by Mr. LaLance. There being no further discussion, the motion passed by unanimous vote of the members present.

Mr. Gentry then opened discussion on retention of an accounting firm. Mr. Tindall stated that the City wanted to be sure the Board had all available information so that a qualified firm could be selected. Mr. Tindall also stated that the 990 filing for the Trust might be able to be included in the City's annual audit. Mr. Tindall will be looking into the fiduciary requirements of the Trust to discover how accounting will need to be done.

Mr. Gentry then introduced a review on the Committee on Contributions. Mr. Tindall informed the Board that the Committee members had been selected. He reviewed the purpose of the Committee and how it would work with the Board. Discussion ensued. Mr. Tindall then listed the appointees to the Committee. Mr. Tindall stated that the Board would need to approve the bylaws for the Committee prior to their first meeting on February 28th.

Mr. LaLance stated that he had concerns about the City Council being able to veto distribution decisions of the Board. Mr. Tindall stated that the Council could only make a decision on something that would have a large impact on the City. Mr. LaLance asked Mr. Tindall to review the rules on that veto and get back to the Board.

Mr. Gentry advised the Board to review the bylaws. A motion to approve the bylaws for the Committee on Contributions as presented was put forward by Mr. Moss and seconded by Mr. LaLance. There being no further discussion, the motion passed by unanimous vote of the members present. Mr. Gentry then asked for information on frequency and scheduling of future meetings. Mr. Tindall stated that his office would send out suggested dates and times to get the next meeting scheduled. Discussion ensued.

Mr. Gentry then moved on to recommended topics for the next meeting. Those included the process for retention of an investment advisor, the development of an investment policy, and the development of a budget policy and annual budget. Mr. LaLance offered to go over the process that Christy Houston Foundation went through at the next meeting.

Several board members commented on how unique this Trust is and the potential impact it could have on the City.

There being no further business, Chairman Gentry announced the meeting adjourned at 5:40 p.m.

ATTEST:



JENNIFER BROWN - CITY RECORDER



KEVIN GENTRY - BOARD CHAIR

AGENDA ATTACHMENT 2